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Chicago's Industrial Decline: The Failure of Redevelopment, 1920–1975. *By Robert Lewis.* Ithaca: Cornell University Press, 2020. xi + 256 pp. Figures, tables, bibliography, index. ISBN: 978-1-5017-5262-9.

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Reviewed by John F. McDonald

This book tells the story of efforts to stem the tide of declining manufacturing in Chicago. The story ends in 1975, just as Chicago manufacturing had entered a long period of precipitous decline. Robert Lewis has done an admirable job of assembling reports and other materials written by the numerous actors in the story and combing through the local press for relevant articles. The story is complicated, but in the end one can conclude that the tide was overwhelming.

The Census of Manufactures shows total manufacturing employment in the city of Chicago had declined from 668,000 in 1947 to 569,000 in 1958 and 430,000 in 1972. But then total manufacturing jobs fell to 366,000 in 1977, 187,000 in 1992, 98,000 in 2002, and 58,000 in 2012. The record for Chicago matches that of the other top ten central cities in the northeastern United States. As I have shown (*Journal of Regional Analysis and Policy* [2018]), the mean employment loss for the ten central cities from 1967 to 2012 was 88 percent; the loss for Chicago over these years was 89 percent. However, during the time covered by Lewis, manufacturing employment in the Chicago metropolitan area had, with the exception of the period of the Vietnam War buildup of the mid-1960s to early 1970s, remained roughly constant at close to 950,000. The early years of the Vietnam War buildup saw an increase in total manufacturing employment in the city of Chicago from 509,000 in 1963 to 546,000 in 1967. It turned out that this increase was a misleading signal.

In Chapter 1 Lewis points out that the loss of manufacturing jobs from the central city can be attributed largely to the increasing attractiveness of nearby suburbs, especially those to the north and northwest. Development around O'Hare Airport, which opened in 1962, created rapid employment growth in the surrounding areas. As part of the evidence Lewis reports figures for production workers, not total manufacturing employment (and does not indicate that fact). The disadvantages of a central city location were numerous and include outmoded multistory buildings, small lots with fragmented

ownership, traffic congestion, quality of available labor, changes in transportation requirements, and so on. Curiously, Lewis does not discuss the impacts of the opening of the expressway system from 1958 to 1964 and the shift from rail to trucks for moving freight. Chapter 2 describes the process of building suburban factories and includes analysis of a large original data set on factory construction from 1945 to 1960.

The rest of the book is devoted to the attempts by Chicago to reduce the loss of manufacturing employment. Those attempts were assisted by the Illinois Blighted Areas Act of 1949, which empowered local government to use eminent domain to purchase and assemble land parcels. The State of Illinois is a leader in approving the use of eminent domain for local economic development. The Chicago Land Clearance Commission (CLCC) operated from 1947 to 1961 and did achieve some modest success with a few industrial districts. Next, Mayor Daley established the Mayor's Committee on Economic and Cultural Development (CECD) in 1961. The CECD operated for fifteen years and produced the influential Mid-Chicago Economic Development study. Its main project was the area that had been the home of the Union Stockyards and major meat-packers. Here the idea was to create an industrial park with supporting services for manufacturers located there. The CECD also worked on a few other industrial-zone projects and provided advice on the use of job training funds.

Each attempt encountered stumbling blocks. The CLCC found that the task of assembling small parcels of land was time consuming, and not many firms were interested in occupying the cleared sites. And Lewis concludes that the stockyards project was a failure. The CECD became the Economic Development Commission (EDC) in 1976. The EDC was given more powers, including authority to issue industrial revenue bonds to subsidize firms. But Lewis ends his story there. Maybe he will pick up the story in his next book?

He writes, "Planning agencies . . . came up against the power of a growth alliance that saw middle-class residential and commercial redevelopment as the means to profitably remake the city" (p. 111). In other words, downtown property interests hampered efforts at industrial redevelopment. Lewis is in agreement with those who subscribe to the view that there was a political struggle with two sides. I do not find this argument convincing. Chicago's Planning Department in 1958 did produce a plan for strengthening and carefully expanding the downtown core. Chicago, among the major cities of the Midwest, has had the greatest success at becoming a top financial and services center. But this success does not mean that industrial redevelopment was off the table.

Mayor Daley appointed the Mayor's Council of Manpower and Economic Advisors in 1972. This group of government, business, labor,

and academic people advised the CECD, the EDC, and the Mayor's Office of Manpower (MOM) until it was disbanded by Mayor Jane Byrne in 1979. I began assisting the staff in 1974, was appointed to the Council in 1975, and served as chair of the Committee on Urban Economic Analysis and Reporting. I recall that at the time, we did not believe that the game of industrial renovation was over. The central city still had about 350,000 manufacturing jobs. In 1975 we conducted a survey of 1,012 manufacturing firms in Chicago to discover their attitudes, whether they planned to move, and any problems for which city assistance could be provided. We found that 14 percent of the firms planned to relocate. Statistical analysis shows that, by far, the most important variable related to the plan to relocate is whether the current space is adequate for the firm's needs. This result is consistent with previous studies of actual relocation. Traffic-flow issues also have a statistically significant impact on the plan to relocate. These are problems that perhaps the city could address. In the end, the industrial base of the city of Chicago dwindled.

John F. McDonald is emeritus professor of economics, University of Illinois at Chicago. He is author of thirteen books, including Employment Location and Industrial Land Use in Metropolitan Chicago (1984) and Chicago: An Economic History (2016). He is a fellow of the Regional Science Association International and was awarded the David Ricardo Medal by the American Real Estate Society.

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Engines of Redemption: Railroads and the Reconstruction of Capitalism in the New South. *By Scott R. Huffard.* Chapel Hill: University of North Carolina Press, 2019. xviii + 324 pp. Illustrations. Cloth, \$90.00. ISBN: 978-1-4696-5280-1.

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Reviewed by Lindsay Schakenbach Regele

Engines of Redemption tells the history of a global technology that intersected with the racial particularities of the American South after the Civil War. It is ultimately a story of how a business—the railroad—developed and influenced the evolution of capitalism in the New South, a topic that will please readers of this journal. Yet it is also about the railroad as both a network and an idea. Scott R. Huffard moves beyond the railcar to understand the larger historical forces that brought the corporation to the South and the mentalities and narratives that bolstered and challenged these changes. He transcends debates about the nature of capitalism in the New South by examining “impacts of key elements of capitalism, such as connections, circulation, standardization,